



Municipality of Anchorage

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Mayor Mark Begich

Office of the Mayor

December 7, 2005

The Honorable Frank Murkowski
Governor of Alaska
P.O. Box 110001
Juneau, AK 99811

VIA fax: 465-3532

Dear Governor Murkowski:

Thank you for meeting with me last Friday to discuss a potentially serious shortfall in federal funds to maintain and build essential road projects in Alaska's largest city. This letter follows up on our conversation and provides some additional detail about the ramifications of reducing the AMATS allocation by \$25 million.

First, on behalf of Anchorage residents, we are thankful for your support last year for transportation projects in Anchorage and across our state. Your support for essential projects such as the Bragaw and Tudor intersection, extension of Dowling Road and Glenn Highway/Bragaw interchange were vital in winning legislative support for these projects.

Unfortunately, this year Anchorage (and Fairbanks) faces a serious dilemma because of congressional action. We have been told by Alaska Department of Transportation officials that Anchorage's portion of funding for road projects normally funded through our formula AMATS allocation has been cut substantially because the earmarks counted against Alaska's normal transportation allotment. This means that Anchorage was slated to receive only \$17 million for such projects for the coming year, compared to \$42 million last year, according to DOT.

This will obviously delay numerous essential projects long anticipated by the public. Among the projects likely to be delayed are:

Delayed 2 years:

- **Old Seward Hwy Reconstruction** between O'Malley Rd and Brandon St. Full funding delayed from 2008 to 2009.
- **Victor Rd Reconstruction** between Dimond Blvd and 100th Ave. Full funding delayed from 2007 to 2009.
- **Huffman Rd Reconstruction** between Old Seward Hwy and Lake Otis Pkwy. Full funding delayed from 2008 to 2010.
- **Eagle River Rd Reconstruction** between MP 5.3 and MP 12.6. Full funding delayed from 2008 to 2010.

Community, Security, Prosperity

- **Old Glenn Hwy Reconstruction** between Fire Lake and Peters Creek. Full funding delayed from 2010 to beyond 2012.
- **Lake Otis Pkwy Pavement Replacement/88th Ave Reconstruction** 68th Ave and Abbott Rd. Full funding delayed from 2006 to 2008.

Project 3 or more years:

- **Spenard Rd Reconstruction** between Fireweed Ln and Minnesota Dr. Full funding delayed from 2008 to beyond 2012.
- **O'Malley Rd Reconstruction** between Seward Hwy and Hillside Dr. Full funding delayed from 2008 to beyond 2012.
- **Abbott Rd Reconstruction** between Lake Otis Pkwy and Birch Rd. Full funding delayed from 2009 to beyond 2012.

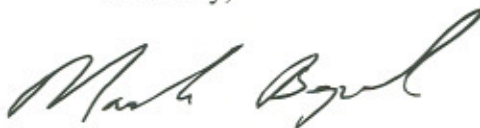
The shortfall also means many projects currently in the preliminary engineering and environmental phase and a handful of planning studies are pushed to later years. Those include:

- Fireweed Lane between Spenard Road and the Seward Highway.
- Dowling Road, Minnesota to Old Seward Highway.
- Hiland Road, mile 1 to end of the road.
- Ingra/Gambell Extension to Whitney Road.
- Whitney Road Reconstruction.

My fellow Interior mayors have expressed similar concerns about the impacts on federal funding for their regions. And state Transportation Commissioner Mike Barton has informed Anchorage transportation officials that the state will likely zero out federal funding for several worthwhile projects, including air quality improvements and congestion relief, because of their interpretation of congressional action. This concerns Anchorage. ISER's recent report "Anchorage at 90: Changing Fast, With More to Come" indicated that Alaska Natives remain Anchorage's largest minority as they continue to leave villages for jobs in the city. People Mover, an essential service for our community, especially low income and minorities, will lose all ground gained in restructuring service as a result of this action.

I respectfully ask that you consider offsetting the loss of critical federal highway funds to Anchorage and Fairbanks in the state capital budget for the coming year. Thank you in advance for your assistance.

Sincerely,



Mark Begich
Mayor

CC: Anchorage Legislators
Anchorage Assembly members